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DEPT FOR NEA/ARP, EEB/ESC/ESP/ISA

E.O. 12958: DECL: 11/12/2017 TAGS: EINV ECON EPET PREL IR MU

SUBJECT: MINISTER REMINDED OF IRAN SANCTIONS ACT

REF: MUSCAT 1027

Classified By: Ambassador Gary A. Grappo, reasons 1.4 (b, d)

- 11. (C) In light of ongoing discussions between Oman and Iran regarding joint oil and gas projects (reftel), the Ambassador reminded Minister of Commerce and Industry Maqbool bin Ali Sultan on November 11 of the provisions of the Iran Sanctions Act (ISA). (Note: The Minister also serves as chairman of Oman Oil Company, one of the signatories to a bilateral Memorandum of Understanding (MoU) on joint cooperation. End Note.) Given the ISA, the Ambassador stressed the importance of sourcing additional gas supplies domestically or from alternative suppliers, such as Qatar.
- 12. (C) Maqbool responded that while Oman was talking with Qatar about gas deliveries, the government was pursuing all opportunities. He questioned why, in the face of sanctions, big multinational firms such as Royal Dutch Shell and Total were courting Oman on possible joint ventures with Iran. The Minister concluded that while ultimately this issue would be Minister Responsible for Foreign Affairs Yusuf bin Alawi's to resolve, in the interim the government would continue to discuss business opportunities with "whoever can give us gas."

 GRAPPO